

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS**
HOUSTON DIVISION

IN RE: CHESAPEAKE ENERGY CORPORATION, et al.,¹ Debtors.	§ § § § § § § §	CHAPTER 11 CASE NO. 20-33233 (DRJ) (Jointly Administered)
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**OBJECTION OF TORNADO VENTURE SEIS, LP, LLC TO CONFIRMATION OF
THE SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF
CHESAPEAKE ENERGY CORPORATION AND ITS DEBTOR AFFILIATES**

Tornado Venture Seis, LP (“Tornado Seis”) files its Limited Objection (“Objection”) to Confirmation of the Second Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and its Debtor Affiliates. In support of the Objection, the Tornado Entities respectfully represent as follows:

1. On October 30th, 2020, the Debtors filed their *Second Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and its Debtor Affiliates* [Docket #1644 and is hereinafter referred to as the “Second Amended Plan”].

2. As set forth in its proof of claims on file herein and assigned claim numbers 2701 and 2702 in the Chesapeake cases’ claim register, Tornado Seis holds royalty underpayment and related claims against Chesapeake Exploration, L.L.C. and Chesapeake Operating, L.L.C. pursuant to provisions of two oil and gas leases relating to real property in La Salle County in Texas (the “Oil and Gas Leases”).

3. Article IV, Section T of the Second Amended Plan provides:
Notwithstanding any other provision in the Plan, on and after the Effective Date, all Royalty and Working Interests shall be preserved and remain in full force and effect in accordance with the terms of the granting instruments or other governing documents applicable to such Royalty and Working Interests, and no Royalty and Working Interests shall be compromised or discharged by

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/chesapeake>. The location of Debtor Chesapeake Energy Corporation’s principal place of business and the Debtors’ service address in these chapter 11 cases is 6100 North Western Avenue, Oklahoma City, Oklahoma 73118.

the Plan. For the avoidance of doubt and notwithstanding anything to the contrary in the preceding sentence, any prepetition or post-petition but pre-Effective Date right to payment arising from a Royalty and Working Interest asserted by a non-Debtor as a prepetition Claim or Administrative Claim, respectively, if any, shall be treated as a Claim under this Plan and shall be subject to any discharge and/or release provided in the Plan without prejudice to any rights to assert a Claim or dispute which may arise post-Effective Date on account of or relating to an unexpired or untermiated Royalty and Working Interest.

4. Notwithstanding the foregoing provision, Tornado Seis, to the extent necessary, objects to the Second Amended Plan to the extent that it seeks to alter any of Tornado Seis's rights and remedies under the Oil and Gas Leases (against Chesapeake Exploration, L.L.C., Chesapeake Operating, L.L.C. or third parties) including its (a) ability to audit amounts charged to and/or paid by Tornado Seis; (b) rights to terminate the Oil and Gas Leases; (c) right to require amounts in dispute to be escrowed; and/or (d) without violating any provisions of a confirmed plan, seek payments from the appropriate parties .

5. Furthermore, the Second Amended Plan defines certain "Releasing Parties," which shall include all Claim holders and Interest holders, provided, however, that an entity shall not be a Releasing Party if it opts out of the releases contained in the Plan or timely files an objection to the releases. Tornado Seis hereby provides notice that it has elected to opt out of the releases contained in the Second Amended Plan and that it objects to being included in the "Releasing Parties" as defined in the Second Amended Plan.

6. Nothing in this Objection is intended to be, or should be construed as, a waiver by Tornado Seis of any of its rights under any contracts which are the subject of the Plan, the Bankruptcy Code or applicable law. Tornado Seis expressly reserves all such rights including, without limitation, the right to: (a) supplement and/or amend this Objection and to assert any additional objections with respect to the Oil and Gas Leases and/or (b) assert any further objections with respect to the relief requested that may subsequently be sought by the Debtors and/or any other party, as such requested relief relates any contracts which are the subject of the Plan and/or interests of Tornado Seis.

7. Tornado Seis joins in any objections filed by other creditors or parties-in-interest to the extent they are not inconsistent with this Objection.

WHEREFORE, Tornado Venture Seis, LP objects to the confirmation of the Plan as set

forth above and pray that they be granted relief as set forth above and for all such other relief to which they may be entitled.

Respectfully submitted on this 7th day of December 2020.

Law Offices of William B. Kingman, P.C.
3511 Broadway
San Antonio, Texas 78209
Telephone: (210) 829-1199
Facsimile: (210) 821-1114

By: /s/William B. Kingman
William B. Kingman, State Bar No. 11476200
***Attorney for Tornado Venture Quatro, LLC
and Tornado Venture Cinco, LLC***

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing was served, in accordance with the Federal Rules of Bankruptcy Procedure, via email upon the parties that receive electronic notice in this case pursuant to the Court's ECF filing system on December 7th, 2020 including the following parties:

Matthew Cavanaugh
Jackson Walker LLP
1401 McKinney St., Suite 1900
Houston, TX 77010

Patrick J. Nash, Jr., P.C.
Marc Kieselstein, P.C.
Alexandra Schwarzman
Kirkland & Ellis International
300 North LaSalle Street
Chicago, IL 60654

Jason L. Boland
William R. Greendyke
Norton Rose Fulbright US LLP
1301 McKinney, Suite 5100
Houston, TX 77010

Louis R. Strubeck, Jr.
Kristian W. Gluck
Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, TX 75201-7932

Robert J. Stark
Bennett S. Silverberg
Brown Rudnick LLP
Seven Times Square
New York, NY 10036

Jeffrey L. Jonas
Sunni P. Beville
Brown Rudnick LLP
One Financial Center
Boston, MA 02111

J. Robert Forshey
Jeff P. Prostok
Suzanne K. Rosen
Forshey & Prostok, LLP
777 Main St., Suite 1550
Fort Worth, TX 76102

Deirdre Carey Brown, PLLC
Forshey & Prostok, LLP
1990 Post Oak, Suite 2400
Houston, TX 77056

Office of the United States Trustee
515 Rusk Street, Suite 3516
Houston, TX 77002

/s/ William B. Kingman

William B. Kingman

